

PX146

From: [REDACTED]
 Sent: Tuesday, January 16, 2018 8:06 PM EST
 To: [REDACTED]
 CC: [REDACTED]
 Subject: Re: Telegram [INTERNAL]

This is a PASS. They are trying to be the next Ethereum. I think we will stick with the present Ethereum.

On Tue, Jan 16, 2018 at 1:23 PM, [REDACTED] wrote:

Spoke with [REDACTED]. His high level thoughts were to agree that the timeline and their product roadmap seems aggressive, bordering on delusional. He said his best guess is that they actually don't know what they're going to build, so they're throwing out every protocol application possible and will whittle it down once they start building. He also mentioned that although Telegram does have an impressive user base, the team doesn't really have any relevant experience in the blockchain space, their proof of Stake goal is ambitious and largely unproven, and he hasn't spoken with any "A Grade" (his words) investors who think they'll invest here.

Happy to go into further detail.....I'm in the air now back to SF but land ~7:30 EST.

If the minimums were a lot lower I think I could get behind this as a flyer and a bet based on our pre-sale discount... but with a \$5M minimum investment I think that puts this out of the feasibility range. Thoughts? Let me know if you want to hop on the phone tonight.

☺

On Sun, Jan 14, 2018 at 2:48 PM, [REDACTED] wrote:

Hopefully talking to [REDACTED] today. He's been a little hard to pin down this weekend. But agree on all fronts.... and there is a \$5M minimum ([REDACTED] says they've been telling everyone else \$20M minimum.... so we'd allegedly be getting a break haha).

On Sat, Jan 13, 2018 at 8:26 PM, [REDACTED] wrote:

I think this is probably not a fit from a valuation standpoint and it looks like they are trying to boil the ocean — the storage layer problem itself is going to be hard to pull off even with full focus from the Filecoin team. Would be interested to hear what [REDACTED] has to say about this.

On Sat, Jan 13, 2018 at 3:27 PM, [REDACTED] wrote:

High level overview based on the primer John Hyman sent:

Telegram Overview / Pros to this Platform launching a token:

- Founded 2013, Non-profit (ala Wikipedia)
- 180M users
- Estimated 84% of blockchain-based projects have an active Telegram community (more than all other chat apps combined)
- 800K unique 3rd party bots regularly used by 52M users
- Telegram's public broadcast channels generate over 30B views by 80M users each month

TON Blockchain:

- New blockchain architecture consisting of master chain + 2⁹² accompanying blockchains
- Claim it will be able to process *millions of transactions per second* (If Bitcoin is 7 and Ethereum is 15 this seems like an aggressive claim - given they haven't started building, we have no way of calling BS or not)
- Proof of Stake

TON Platform:

1. TON Storage (*Filecoin competitor*)
 - Distributed file-storage technology
2. TON Proxy (*Orchid competitor?*)
 - Network proxy/anonymizer to provide decentralized VPN services
3. TON Services
 - Platform for 3rd party services that enable smart-phone like friendly interfaces or decentralized apps
4. TON DNS (*Blockstack competitor?*)
 - Service for assigning human-readable names to accounts, smart contracts, services, nodes.
5. TON Payments (*Kin competitor?*)
 - Platform for micropayments between users, bots, etc.

Roadmap:

- Q2 2018 Minimal Viable Test Network of TON
- Q4 2018 Deployment of stable version of TON & Telegram Wallet Launch
- Q1 2019 Creation of TON-based economy
- Q2 2019 Launch of TON Services, TON Storage, TON Proxy

- *Note:* This contradicts what John said.... he claimed everything launched at once in Q4 2018.

Gram Token Logistics:

- SAFT
- \$1B pre-sale (claim \$3.5B in interest right now) + \$2B public sale
- Total supply of 5B tokens
- Annual inflation proj 2%
- Distribution:
 - 44% sold (private and public sale)
 - 4% reserved for development team
 - 52% retained by TON Reserve
- Use of Funds:
 - 80% equipment, bandwidth, etc.
 - Telegram bleeds \$100M / year currently. Est \$400M over next 3 years
 - 20% wages, offices, legal
- Vesting
 - *After* blockchain launch:
 - First 25% locked for 3 months
 - + 25% locked for 6 months
 - + 25% locked for 12 months
 - + 25% locked for 18 months
- Pricing: Every token price changes according to below formula, beginning with \$.10. This is not what John said re: pre-sale.

$$P_n := 0.1 \times (1 + 10^{-9})^n \text{ USD}$$

TL:Dr: \$3B raise is still blowing my mind...without any accountability or recourse if they don't use funds as claimed. Telegram's built in 180M user base and inherent connection with token communities is interesting. I struggle with the goal of launching a new Filecoin, Blockstack, Orchid, etc. ALL AT ONCE in next 15 months frankly seeming delusional to me. Trying to get [REDACTED] on phone this weekend to get his 2 cents. Will also get clarification from John re: pricing / min investment.

This email (and any attachments) is confidential and may also be legally privileged. If you are not the intended recipient please immediately notify the sender then delete it from your system. You should not copy it or use it for any purpose nor disclose its contents to any person.

This email (and any attachments) is confidential and may also be legally privileged. If you are not the intended recipient please immediately notify the sender then delete it from your system. You should not copy it or use it for any purpose nor disclose its contents to any person.